

**STATE OF TEXAS §**  
**COUNTIES OF ARANSAS §**  
**SAN PATRICIO AND NUECES §**  
**CITY OF ARANSAS PASS §**

On this the 16<sup>th</sup> day of April, 2007 the City Council of the City of Aransas Pass convened in a Regular Council Meeting being open to the Public at the regular meeting place thereof in the City Hall and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum.

PRESENT: Frank Hametner Mayor  
Tommy Knight Mayor Pro Tempore  
Jay Attaway, Council Member  
Grace Chapa, Council Member

ABSENT: Vickie Abrego, Council Member

ADMINISTRATIVE  
PERSONNEL PRESENT: Mike Sullinger, Interim City Manager  
Allen Lawrence, City Attorney  
Ada Owens, City Secretary

ADMINISTRATIVE  
PERSONNEL ABSENT: None

STAFF PRESENT: Darren Gurley, Public Works Director  
Frank Truitt, City Inspector  
Sandy Roddel, Finance Director  
Gilbert Ritz, Fire Chief

OTHERS PRESENT: Lu & Ralph Arcemont, Ann P. Melon, Jessica Schroder, Lou McCleese, Don & Jeanie Brummett, Eva Young, Ryan Cunningham, Mark McLiney, Colleen Abshire, Ed Redmond, Eric Kindervader, Don & Bunny Williams, Hope Comingore, Don McTee Buck Kohl, G.D. Welch, Albert Howie, Tim, Barbara Skinner, Jim & Alpha Convinton, Belinda Ritz, Capt. Fred J. Comingore

(There may have been others present who did not sign in.)

**ITEM 1. CALL MEETING TO ORDER.**

Mayor Hametner Mayor called the meeting to order at 7:00 p.m. on April 16, 2007.

**ITEM 2. INVOCATION AND PLEDGE OF ALLEGIANCE TO THE UNITED STATES FLAG.**

City Manager Mike Sullinger gave the Invocation. Mayor Pro Tempore Knight led the Pledge of Allegiance to the United States Flag.

**ITEM 3. CITIZEN'S COMMENTS / MAYOR'S QUESTION AND ANSWER SESSION.**

Ms. Ann Melton commented on prayer in school and missing political signs.

Ms. Tensha Keiser stated political signs were missing from her property.

Ms. Collen Abshire made the complaint that the property on the corner of Stoddard Street and Whitney Street has never dried out since it was bull dozed.

City Manager Mike Sullinger stated the lot belonged to an absentee owner that the City had tried to find and would pursue further.

Ms. Eva Young stated there had been fires lately and neighbors should look out for each other.

**ITEM 4.**      **CONSENT AGENDA – “All of the Following items on the Consent Agenda are considered to be routine by the City Council and will be enacted with one motion. There will be no separate discussion of these items unless a Council Member so requests. If discussion is desired that item will be removed from the Consent Agenda and will be considered separately”.**

- A. Approval of Minutes of April 2 and April 9, 2007.
- B. Consider and Act on Approval of Ordinance No. 2007-3916 – An Ordinance of the City of Aransas Pass Approving the Rezoning of Lots 1, 2 and 3, and Lots 29 through 32, Block 575, 603 S. Arch Street, 239 E. Greenwood, City of Aransas pass, from R-7A, residential District to GB-General Business District.
- C. Consider and Act on approving resignation of Mr. Ed LaPointe from the Aransas Pass Municipal Development District Board.

Council Member Attaway made the motion to approve the Consent Agenda. Mayor Pro Tempore Knight seconded the motion and the motion carried unanimously.

**ITEM 5.**      **PROCLAMATION RECOGNIZING THE ROCKPORT FULTON VOLUNTEER FIRE DEPARTMENT FOR DONATING MEN & EQUIPMENT TO MOUNT THE CROSS ON THE SEAMAN'S MEMORIAL.**

Mayor Hametner read the proclamation recognizing the fire fighters that assisted in mounting the cross atop the Seaman's Memorial and thanked them for volunteering.

Fire Chief Buck Kohl, G.D. and Fire Fighters G.D. Welch, Albert Howie, Tim accepted the proclamation, thanked the Mayor and Council, and volunteered their services in the future.

**ITEM 6.**      **CONSIDER AND ACT ON RESCINDING THE NOTICE OF INTENTION PUBLISHED REGARDING THE PROPOSED ISSUANCE OF ONE OR MORE SERIES OF CERTIFICATES OF OBLIGATION IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,565,000 FOR THE PURPOSE OR PURPOSES OF PAYING CONTRACTUAL OBLIGATIONS OF THE CITY TO BE INCURRED FOR THE ACQUISITION OF LAND FOR THE MUNICIPAL HARBOR; DOCUMENTING THE CITY COUNCIL'S DECISION TO DELAY THIS PROJECT TO GATHER MORE FACTUAL INFORMATION, AND OTHER MATTERS IN CONNECTION THEREWITH; AND DISCUSSION OF NEW FINANCING PROPOSAL.**

Mr. Mark McLiney with Southwest Securities stated after conferring with the City Manager on issuing tax exempt Certificates of Obligation (COs) it was realized that the restrictions on those COs might potentially harm the present tenants in Conn Brown Harbor. Private activity would not be allowed on the airport or LWR property and the Conn Brown Harbor tenants could only get month-to-month leases if tax exempt COs were sold. Mr. McLiney explained the City could issue taxable COs and borrow the full amount needed. He explained the differences in public and private sales interest and conditions. He stated he believed the City could pay for the COs without raising taxes.

Council Member Attaway stated he would rather pay the lower interest with public sales.

Mayor Pro Tempore Knight asked could the City complete the transaction without using the City's reserves?

The City Manager stated yes. He stated with a public sale the bonds were not callable for 10 years.

Mr. McLiney explained any money the Council had earmarked to pay the bonds off could be invested and held to pay off the bonds after 10 years.

Council Member Chapa asked if the Council chose to use a public sale what would be the end figure?

Mr. McLiney stated the City would pay \$6M for the Harbor then the principal and interest on the loan would be \$11,198,000.

Council Member Attaway made the motion to rescind the Notice of Intention approved March 26, 2007. Mayor Pro Tempore Knight seconded the motion and the motion passed unanimously.

**ITEM 8. INTRODUCTION OF AND DISCUSSION WITH WESTON ENGINEERING AND URBAN ENGINEERING.**

The City Manager introduced Mr. Jim Urban with Urban Engineering who would be conducting the City's engineering work. Mr. Urban introduced two staff members, gave the history of the company and area work the company was involved with.

The City Manager introduced Mr. Ken Frenzel with Weston Engineering who would be the City's environmental engineers. Mr. Frenzel introduced staff, gave the history of the company, and work completed and presently ongoing in the area.

Mayor Hametner thanked Mr. Urban and Mr. Frenzel for their time and welcomed them to Aransas Pass.

Mayor Pro Tempore stated Weston had started on LWR, the airport and the trade tract and was almost finished with phase one. He asked what would be next?

Mr. Frenzel stated he had just gotten authorization for the trade tract and planned to do a site walk within the next two days, and then compile a report. He stated the plan was to take an overall approach on how to handle some environment concerns that may be uncovered in phase one. He stated his plan was to combine all the reports that had been done on all the properties, evaluate them and determine if there are some areas that need some additional investigation, then they would propose conducting a phase two investigation.

Mayor Hametner thanked both firms and stated he looked forward to working with them in the future.

**ITEM 7. CONSIDER AND ACT ON WATER RATE STUDY.**

Mr. Robert McLain with McLain Decision Support Systems gave his final report on the City's water and sewer rates. He stated the City's priorities were to develop alternative water and wastewater rates which would provide sufficient annual revenues to meet expenditures for all operating and non-operating costs which included a \$4M debt, and to develop rates which would shift some of the burden from lower-volume users to the higher volume user. He stated the average consumer should see a 14% decrease as the cost would be shifted to the high volume customers. The senior citizens would see a decrease for low volume (3,000 gallons and under) usage.

Mayor Pro Tempore Knight stated he thought the decrease would be 21%.

Mr. McLain stated it may have worked out differently when the actual numbers were run.

The City Manager stated it was 19.6% at 8,000 gallons usage.

Mr. McLain stated that for 8,000 gallons usage there would be a decrease of \$16 each month.

Council Member Attaway stated the senior citizen rates need to be left alone.

Mr. McLain stated the senior citizens would keep their discount. He stated even if the City did nothing (raised rates) the water/wastewater reserves would be sound in three years.

Mayor Pro Tempore Knight asked would the City be able to build a water tower without raising any taxes?

Mr. McLain and the City Manager stated yes.

Council Member Attaway made the motion to accept the water rate study. Council Member Chapa seconded the motion and the motion carried unanimously.

Mayor Hametner stated the City worked very hard on the water rate plan and address, as much as possible, the lower volume user and the senior citizens. He stated he thought the City was very competitive with area cities. The Council could always look at the water rates in the future.

Mr. McLain thanked Financial Director Sandy Rodell and Public Works Director Darren Gurley for their hard work on the water rate study.

**ITEM 9.**                    **CONSIDER AND ACT ON PURCHASING EASEMENTS ON GILLESPIE LANE.**

After discussion Council Member Attaway made the motion to purchase easements on Gillespie Lane. Mayor Pro Tempore Knight seconded the motion and the motion carried unanimously.

**ITEM 10.**                    **CONSIDER AND ACT ON REMODELING THE 911 AREA OF THE POLICE DEPARTMENT.**

The City Manager stated there was \$335,000.00 in the 911 Fund and remodeling the 911/dispatch area of the Police Department would cost \$21,000.00.

Council Member Attaway made the motion to approve remodeling the 911 area of the Police Department. Mayor Pro Tempore Knight seconded the motion and the motion carried unanimously.

**ITEM 11.**                    **CONSIDER AND ACT ON RESOLUTION 2007-581 AUTHORIZING SOUTH TEXAS AGGREGATE PROJECT, INC. (STAP) TO NEGOTIATE AN ELECTRIC SUPPLY AGREEMENT FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2008; AUTHORIZING THE MAYOR OR OTHER DESIGNATED CITY OFFICIAL TO SIGN A CONTRACT WITH STAP FOR THE CITY OF ARANSAS PASS'S 2008 AND, IF ECONOMICALLY FEASIBLE, 2009 ELECTRICITY NEEDS; AND COMMITTING TO BUDGET FOR ENERGY PURCHASES IN 2008 AND, IF ECONOMICALLY FEASIBLE, 2009 AND TO HONOR THE CITY OF ARANSAS PASS'S COMMITMENTS TO PURCHASE POWER FOR ITS ELECTRICAL NEEDS IN 2008 AND, IF ECONOMICALLY FEASIBLE, 2009 THROUGH STAP.**

Mayor Pro Tempore Knight made the motion to authorize STAP to negotiate an electric supply agreement for deliveries of electricity and all other conditions of the agreement. Council Member Attaway seconded the motion and the motion carried unanimously.

**ITEM 12.**                    **DISCUSSION REGARDING ALLEYWAYS IN THE CITY.**

Mayor Hametner stated in 2004 the City Council decided property owners would be responsible for keeping their sidewalks and alleyways free of all weeds, trash garbage, etc. and failure to do so would be considered a nuisance. He stated he did not know

what penalties, if any, were attached to that ordinance, not all owners keep their alleys clean.

Council Member Chapa stated she had asked for this discussion because during the last rain her alley had flooded but when she called the City to put dirt in her alley she was informed that she would have to pay for the dirt. She stated she did not think that was right because she did not own the alleyway. She did not interpret the ordinance as meaning the property owners would pay for replacing dirt in the alleyways.

The City Manager stated he had some requests from other citizens to redo their alleyways and in accordance with the ordinance it had not been done. He did not want to set a precedence but if the Council wanted to set a budget for next year for the alleyways, the City could redo the alleys.

Council Member Attaway stated he agreed with the ordinance, he had always mowed and cleaned his alleys, but he thought the City should replace dirt or fill in the alleyways.

The City Manager stated the large garbage trucks going through the alleys after a rain caused the damage in the alleys. After a previous City Manager disposed of dumpsters in the alleyways, the alleys were supposed to be fixed and turned over to the property owners to maintain.

Mayor Hametner asked does the Council need to clarify the ordinance to show the citizens are responsible for the keeping the alleys mowed and clean and the City would repair holes in the alleyways?

Discussion was held regarding businesses not caring for their alleys, repairing alleyways with like materials, and enforcing the ordinance.

The City Inspector stated the Judge could fine a person up to \$500 per day for violating the ordinance, but it was up to the Judge to fine people for the violation. He stated the ordinance was fairly broad and it was hard to get people to cut the alleys because they think the alleys are City property and they should not have to maintain City property.

Council Member Attaway stated technically the alleys were not City property. The property owners conveyed the easement for the alleys to the City but they, technically, still own the property.

#### **ITEM 13. CITY MANAGER'S REPORT.**

The City Manager stated he had several communications from Mr. Donald Palmer regarding the difficulty disabled citizens have getting to Wal Mart in their electric scooters. He stated there are grants that address the problem, a sidewalk that would go from Avenue A to Wal Mart and Lowes then back across down Demory Lane. He stated there was a grant company interested in presenting such a grant to the Council if the Council was interested. The sidewalk would have to be within 200 feet of a school, so it would have to go down Demory Lane.

Discussion was held regarding the need for a sidewalk in that vicinity.

Mayor Pro Tempore Knight asked had the City Manager heard anything on GLO and the boats (in the Harbor)?

The City Manager stated the GLO had promised a 25-day turnaround to tag the boats in December (2006), but with any government entity, it takes awhile to get something done. He stated he had been in contact with the GLO and Representative Juan Garcia and the GLO was working on tagging the boats (so the City can take possession and dispose of the boats). The four boats at LWR would soon be scrapped.

**ITEM 14. RECESS REGULAR MEETING AND RETIRE TO EXECUTIVE SESSION PURSUANT TO CHAPTER 551 OF TEXAS GOVERNMENT CODE.**

Recessed into Executive Session in Municipal Court Room at 8:21 p.m.

- A. Section 551.071, Consultation with Attorney – Legal Matters regarding APDG and Electrotex.
- B. Section 551.072, Deliberation Regarding Real Property - Conn Brown Harbor Lease with Gulf King.

**ITEM 15. RECONVENE IN REGULAR MEETING AND CONSIDER AND ACT ON FINDINGS OF EXECUTIVE SESSION.**

Reconvened into Open Session at 9:10 p.m.

- A. Section 551.071, Consultation with Attorney – Legal Matters regarding APDG and Electrotex.

Council Member Attaway made the motion to authorize the City Attorney to continue negotiations with Electrotex. Mayor Pro Tempore Knight seconded the motion and the motion carried unanimously.

Mayor Pro Tempore Knight made the motion to authorize the City Attorney to accept the settlement offer of APDG LTD. Council Member Attaway seconded the motion and the motion carried 3 to 1 with Mayor Hametner, Mayor Pro Tempore Knight, and Council Member Attaway voting yes and Council Member Chapa voting no.

- B. Section 551.072, Deliberation Regarding Real Property - Conn Brown Harbor Lease with Gulf King.

Council Member Attaway made the motion not to accept the request of Gulf King for a one year lease in Conn Brown Harbor. Mayor Pro Tempore Knight seconded the motion and the motion carried unanimously.

**ITEM 16. ADJOURNMENT OF MEETING.**

Council Member Attaway made the motion to adjourn the meeting. Mayor Pro Tempore Knight seconded the motion and the motion carried unanimously.

Mayor Hametner adjourned the meeting at 9:15 p.m.

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ATTEST: Frank C. Hametner, Mayor

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Ada Owens, City Secretary